

China Said to Offer More Missiles to Iran

'Sheer Rumor,' Beijing Says of Reports of New Silkworm Deal

By JIM MANN, Times Staff Writer

WASHINGTON—U.S. officials say there are indications that China has offered to sell new Silkworm anti-ship missiles to Iran, despite China's repeated assurances to the United States that it would stop doing so.

The Silkworms are viewed as a potential threat to shipping in the Persian Gulf. In 1987, the United States temporarily clamped down on high-technology sales to China to protest Beijing's sale of these missiles to Iran. The freeze was lifted after China promised to prevent further Silkworms from reaching Iran.

A spokesman for the Chinese Embassy in Washington said that talk of a new missile deal is "sheer rumor, which is utterly groundless."

Bush, Gorbachev to Visit

If China were to go forward with any new sale, it could pose a new complication for Sino-American relations at a particularly delicate time. President Bush is planning to visit China later this month, and Soviet President Mikhail S. Gorbachev is scheduled to make his own ground-breaking trip to Beijing in May.

One U.S. official who keeps track of Chinese arms sales said that China and Iran seem to have reached a new arms agreement last August or September.

"They've got a deal going. They've got people going back and forth [between the two countries]," he said. "It's Silkworm [missiles] and all kinds of other gear."

Several high-ranking U.S. officials denied that any new Silkworm missiles from China have reached Iran yet. These officials also insisted that they were not aware of any new deal involving Silkworms between the two countries. However, two other U.S. government sources confirmed that the United States has received reports indicating that Chinese and Iranian officials have discussed new sales of Silkworms.

Asked about these reports in a recent interview with reporters from The Times, CIA Director William H. Webster replied: "I don't want to talk about [that] for obvious reasons. We've got a trip coming up [by Bush to China], and a few other things that I don't think could be helped by discussions."

"China is becoming a major factor in munitions trade around the world," Webster went on. "But they have been responsive to a number of initiatives by American leaders, and there are discussions about [to whom] and what they're going to sell."

U.S. officials first began voicing public concern about China's sale of Silkworm missiles to Iran in June, 1987, soon after the Reagan Administration decided to put Kuwait's oil fleet under the American flag. Later that year, a Silkworm missile fired from Iranian territory hit the Sea Isle City, a U.S.-flagged oil tanker, at anchor in Kuwaiti waters.

At first, China denied providing any Silkworms to Iran. Later, after the Reagan Administration restricted high-tech exports to China, the Foreign Ministry said that China had taken steps to prevent Silkworms from reaching Iran through the international arms market. China reportedly had provided the missiles to Iran through intermediaries such as North Korea.

During separate trips to China last year, then-Secretary of State George P. Shultz and then-Defense Secretary Frank C. Carlucci raised with Chinese leader Deng Xiaoping the subject of Chinese arms sales in the Middle East. Without saying exactly what commitments he had obtained from Deng, Carlucci said afterward that he was hopeful "we can put this issue behind us."

The cease-fire in the Iran-Iraq War last summer dramatically reduced the danger of hostilities that could affect commercial shipping in the Persian Gulf. As a result, U.S.

The Washington Post
The New York Times
The Washington Times
The Wall Street Journal
The Christian Science Monitor
New York Daily News
USA Today
The Chicago Tribune

L.A. TIMES, Pt. 1, Pg. 5
Date *14 FEB 1989*

officials are no longer as worried about the impact of Silkworms in Iran. "There's nothing wrong with Silkworms," one U.S. official said recently.

However, despite the apparent end of the war, the United States remains officially committed to Operation Staunch, the policy launched by the Reagan Administration to curb the flow of arms to Iran.

As a result, officials say, the United States might be obliged to take some sort of action against China, such as another clampdown on high-technology exports, if it was clear that China was delivering new Silkworms to Iran.